

**श्री सुरेश प्रभु:** यह भी बहुत अच्छा सुझाव है। अभी जैसा मैंने कहा कि गांवों को ले रहे हैं और राज्यों के साथ भी प्रक्रिया चल रही है और हम उनके साथ सलाह कर रहे हैं। हम इसको अन्तर्भाव करके बात करेंगे। आपने सही कहा है कि कई ऐसे सांसद हैं, अलग-अलग राजनैतिक दलों के प्रमुख हैं जिन्हें बिजली न होने के कारण दुरभाग्यवश अंधेरे में पढ़ना पड़ा। हम बाबा साहेब अम्बेडकर का नाम ले सकते हैं, उनको भी स्ट्रीट लाइट में पढ़ना पड़ा। आने वाली जनरेशन के लिए यह नौबत न आए, इसके लिए हमारे कार्यक्रम हैं। आपने जो सुझाव दिया है, इस पर हम विचार करेंगे।

### **Collaboration of India and Pakistan in Textiles Sector**

\*147. SHRI R. SARATH KUMAR:†

SHRI P.N. SIVA:

Will the Minister of TEXTILES be pleased to state:

- (a) whether India and Pakistan have decided to collaborate to protect their interests in the textiles sector against European Union;
- (b) if so, the details thereof; and
- (c) the mechanism evolved to protect the interests of textile manufacturers?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAY KUMAR): (a) to (c) A statement is laid on the Table of the House.

#### **Statement**

There is no direct collaboration with Pakistan to protect interests in the textile sector against European Union. However, efforts are made to involve all developing countries, including Pakistan, for raising the common concerns related to textile sector at appropriate fora.

SHRI R. SARATH KUMAR: Hon. Chairman, Sir, everybody knows the efforts made by the hon. Minister for raising the common concerns relating to our textile sector. I want to put a question to the Minister. Sir, the textiles exported from Pakistan to European Union

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† The question was actually asked on the floor of the House by Shri R. Sarath Kumar.

do not attract any inport duty whereas the textiles exported from our country to European Union attract a duty of 13 per cent. This affects our export market. This is due to the import duty which Pakistan levies on fabrics imported from the European Union. It is only 10 per cent whereas, in our country, the duty imposed on fabrics imported from the European Union is 30 per cent. This definitely affects our export market. Will the Minister consider reducing the import duty on fabrics imported from the European Union?

SHRI V. DHANANJAY KUMAR: Sir, the imposition of import duty depends upon the decision of the importing country. So far as the imports from Pakistan are concerned, the US has recently entered into an MoU with Pakistan enabling them to step up their exports. So far as the exports from our country are concerned, they are hardly affected by the MoU signed between Pakistan and the EU. In fact, we have taken several steps to boost our exports to the EU countries. We have given several facilities to the manufacturers as well as the exporters to boost the exports from our country to the EU.

SHRI R. SARATH KUMAR: Sir, I would like to know from the hon. Minister whether he is going to reduce the import duty on the fabrics coming into the country from the EU. Unless that is done, how is he going to improve the exports from our country?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA): Sir, the EU and Pakistan have entered into a bilateral deal in return of reduction in tariff by Pakistan. We are also interested in entering into that type of a bilateral deal with the EU. We called a meeting of the textile industry. We discussed this issue of reduction of tariff on imports from the EU countries. I, along with my colleague, Mr. Murasoli Maran, the Minister of Commerce, met Mr. Pascal Lamy last week. We discussed this matter, and Mr. Lamy reacted positively. He is an open-minded man. We discussed the matter. My Ministry has also agreed to reduce the tariff in respect of some categories. I am confident and hopeful that some high-level delegation will come to India, when I will take up this matter with the EU. Anyhow, we have agreed to reduce our tariff in respect of some categories.

SHRI P.N. SIVA: Sir, the textile industry accounts for 7 per cent of our GDP and 27 per cent of our total exports. It is the largest employer in the organised sector. This industry, which has traditionally been the corner-stone of the Indian economy, is now faltering slowly and steadily. A number of textile mills have been closed, rendering a number of workers unemployed. The official statistics reflect the crisis in the textile industry. Three-hundred-and-ninety-six mills have been closed so far. Out of that, 13 mills have been closed in the first quarter of the current financial year. The cotton cultivation gives employment to 80 lakh farmers. The handloom sector gives employment to 60 lakh workers, and the powerloom sector gives employment to 40 lakh workers. What I would like to say is that the crisis, which the textile industry is facing in our country, is a blow to our economy also. What is the Government's thinking? What steps have been taken so far? What steps are going to be taken? When Pakistan is able to enter into an MoU with the EU and others to save their textile industry, what is our Government intending to *do* to save the sinking ship of the textile industry and the workers employed in the industry?

SHRI V. DHANANJAY KUMAR: Sir, we have taken several steps to boost textile production in our country as well as textile exports from our country. Recently, as the hon. Member is aware, the New Textile Policy, 2000 was pronounced. Thereafter, we have initiated certain positive steps, like de-reserving the woven segment of ready-made garments from the SSI. A provision of Rs. 10 crores has been earmarked in the B.E. 2001-02 for creating clusters of excellence, i.e. apparel parks for production and export of garments. A Technology Upgradation Fund Scheme (TUFS) has been made operational from 1.4.1999 wherein a provision has been made for making investment to the tune of Rs. 25,000 crores in the textiles sector. The Government of India is giving interest subsidy of 5 per cent on all the investments. Weaving, processing and garment machinery, which are covered under the TUFS, have been extended the facility of accelerated depreciation at the rate of 50 per cent. Earlier, it was 25 per cent. It has been enhanced to 50 per cent. The Technology Mission for Cotton has been launched for initiating

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focussed steps for boosting production, productivity and quality of cotton for manufacture and export of competitive downstream textile products. The National Institute of Fashion Technology, NIFT with its six branches and the Apparel Training and Design Centres, ATDCs are running various courses and programmes to meet the skilled manpower requirements of the textile industry. Import of a large number of garment machinery has been allowed under a concessional customs duty of 5 per cent. With a view to encouraging backward integration, the customs duty on shuttleless looms has been reduced to 5 per cent. We have allowed foreign equity participation up to 100 per cent through the automatic route in the textile sector with certain exceptions. We have prepared and sensitised our textile and garment industry to conform to the ecological requirements of importing countries by providing facilities by way of eco-testing laboratories. The DEPB rates for certain textile products have been revised. A programme has been announced to induct 50,000 shuttleless looms and to modernise....

SHRI P.N. SIVA: Sir, the hon. Minister is aware that the textile industry is suffering.

SHRI V. DHANANJAY KUMAR: Sir, the hon. Member was interested in knowing as to what are the steps that have been taken by the Government. We have taken several steps. I would like to assure the hon. Member that in view of the steps that have been taken by the Government, despite a general economic recession, there has not been much impact of the general economic recession on the textile exports. For example, in the first half of the financial year 2001, the total export from the textile sector is to the tune of Rs. 7,665.5 crores; whereas in the previous year for the same period, the exports were to the tune of Rs. 7,980 crores. There is a minimal fall of 3.9 per cent. As the hon. Members are aware, the general economic recession has greatly affected our exports. But, in the textile sector, we could still make up and we are hopeful that in the later half of the year we will make up the shortfall and we will, in fact, achieve the target set before us.

SHRI PREM CHAND GUPTA: Mr. Chairman, Sir, the hon. Minister has read out almost everything. The unfortunate thing is, all

the schemes are only on paper. The Textile Development Fund was introduced in 1999.

MR. CHAIRMAN: It is going to be 12 o'clock. Please put your supplementary.

SHRI PREM CHAND GUPTA: What is the amount they have released under this scheme? It is not even 10 per cent of the total fund which has been made available. How do they expect to increase the exports?

SHRI V. DHANANJAY KUMAR: In all, 820 applications were received under this scheme and an amount of Rs. 2,981.35 crores has already been disbursed. The sanctioned amount is Rs. 4,787.33 crores.

SHRI PREM CHAND GUPTA: Out of Rs. 25,000 crores, they have disbursed Rs. 2,000 crores and that too in three years. They are talking about an industry whose contribution is the largest in terms of the foreign exchange-earning of the country and which is also the largest employer in the country. And, in three years, they have disbursed only 10 per cent.

SHRI V. DHANANJAY KUMAR: This scheme will continue for five years...

MR. CHAIRMAN: Question Hour is over.

#### **WRITTEN ANSWERS TO STARRED QUESTIONS**

##### **Rally by Indian Ex-services League of Sangrur district**

\*142. SHRI CM. IBRAHIM: Will the Minister of DEFENCE be pleased to state:

(a) whether the Sangrur district unit of the Indian Ex-services League held a rally in Local War Heroes Stadium on September 17, 2001, to press their demand for one rank, one pension and other demands;

(b) if so, what are their demands; and

(c) what is Government's response and reaction thereto?